Financial statements of

AMAZON RAINFOREST CONSERVANCY

For the year ended December 31, 2025

INSIGHT
ACCOUNTING
CHARTERED PROFESSIONAL ACCOUNTANT
PROFESSIONAL CORPORATION

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Independent Auditor's Report

To the Members of AMAZON RAINFOREST CONSERVANCY

Qualified Opinion

We have audited the financial statements of AMAZON RAINFOREST CONSERVANCY, which comprise the statement of financial position as at December 31, 2025, and the statement of operations and changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2025, and its results of operations and its cash flows f the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many similar organizations, the organization derives amounts of revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization. Therefore, we were not able to determine whether, as at year ended, any adjustments might be necessary to revenue and excess of revenues over expenses reported in the statement of operations and net assets, excess of revenues over expenses reporting in the statement of cash flows and assets and net assets reported in the statement of financial position.

Other matters

Comparative fianancial statements were reviewed by another firm.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and, the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to ,continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INSIGHT ACCOUNTING CPA PROFESSIONAL CORPORATION
Authorized to practice public accounting by the Chartered Accountants of Ontario
Chartered Professional Accountant, Licensed Public Accountant
March 11, 2026
Mississauga, Ontario

AMAZON RAINFOREST CONSERVANCY

Balance Sheet

As at December 31, 2025, with comparatives from December 31, 2024

	NOTES	2025	2024
ASSETS			
Current assets			
Cash		$ 114,483	$ 129,644
Accounts receivable		9,123	10,324
Prepaid expenses		27,640	-
Sales taxes recoverable		1,082	1,536
		152,328	141,503
TOTAL ASSETS		**$ 152,328**	**$ 141,503**
LIABILITIES AND NET ASSETS			
Current liabilities			
Accounts payable and accrued liabilities		$ 8,000	$ 11,348
Deferred contributions	3	45,700	25,000
		53,700	36,348
TOTAL LIABILITIES		**$ 53,700**	**$ 36,348**
UNRESTRICTED NET ASSETS		**$ 98,629**	**$ 105,155**
TOTAL LIABILITIES AND NET ASSETS		**$ 152,328**	**$ 141,503**

Approved on behalf of the Board:

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Director

AMAZON RAINFOREST CONSERVANCY

Statement of Changes in Net Assets

For the year ended December 31, 2025, with comparatives from December 31, 2024

	NOTES	2025	2024
Net Assets, Beginning of Year		$ 105,155	$ 51,501
Change in Net Assets		(17,375)	53,654
Prior period adjustment	8	10,849	-
NET ASSETS, END OF YEAR		**$ 98,629**	**$ 105,155**

AMAZON RAINFOREST CONSERVANCY

Statement of Operations

For the year ended December 31, 2025, with comparatives from December 31, 2024

	Notes	2025	2024
REVENUE			
Donations		$ 214,403	$ 170,666
Foreign exchange gain		-	762
Interest income		410	520
TOTAL REVENUE		**$ 214,814**	**$ 171,948**
EXPENSES			
Projects in Peru	4 & 5	$ 209,019	99,563
Professional fees		20,188	15,547
Website/online education platform		712	1,668
Administration		1,358	1,516
Foreign exchange loss		910	-
TOTAL EXPENSES		**$ 232,188**	**$ 118,294**
NET REVENUE OVER EXPENSES		**$ (17,375)**	**$ 53,654**

AMAZON RAINFOREST CONSERVANCY

Statement of Cash Flows

For the year ended December 31, 2025, with comparatives from December 31, 2024

		2025		2024
CASH FLOWS FROM OPERATING ACTIVITIES				
Net revenue over expenses	$	(17,375)	$	53,654
Adjustments:				
Prior period adjustment		10,849		
Change in non-cash working capital items				
Accounts receivable		1,200		(3,131)
Prepaid expenses		(27,640)		-
Sales taxes recoverable		454		(297)
Accounts payable and accrued liabilities		(3,348)		(11,358)
Deferred contributions		20,700		(16,195)
		(15,160)		22,673
INCREASE (DECREASE) IN CASH	$	(15,160)	$	22,673
CASH - BEGINNING OF PERIOD		129,644		106,971
CASH - END OF PERIOD	**$**	**114,483**	**$**	**129,644**

AMAZON RAINFOREST CONSERVANCY

Notes to Financial Statements
For the year ended December 31, 2025

1 PURPOSE OF ORGANIZATION

Amazon Rainforest Conservancy (the "Organization") was incorporated on November 28, 2011 without share capital under the Canada Not-for-profit Corporations Act. It is a registered charity under the Income Tax Act. The Organization's purpose is to purchase threatened tropical rainforest habitats in Peru, in order to assist in the preservation and conservation of endangered flora and fauna species for the benefit of future generations.

2 SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements are prepared by management in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO").

The significant accounting policies used are as follows:

a) Revenue recognition

The Organization follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions are deferred and recognized as revenue in the period in which the related expenses are incurred.

b) Financial instruments

The Organization's financial instruments consist of cash, accounts receivable, and accounts payable and accrued liabilities. Financial instruments are initially measured at fair value, and subsequently at amortized cost.

c) Foreign exchange

Monetary assets and liabilities of the Conservancy which are denominated in foreign currencies are translated at year end exchange rates. Other assets and liabilities are translated at rates in effect at the dates the assets were acquired and liabilities incurred. Revenue and expenses are translated at the rates of exchange in effect at their transaction dates. The resulting gains or losses are included in the Statement of Operations.

d) Use of estimates

The preparation of financial statements in accordance with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the year. Actual results could differ from these estimates. Such estimates are reviewed periodically, and any adjustments necessary are report in the year in which they become known.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f) Going concern

These financial statements have been prepared on the going concern basis, which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Should the Organization be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due.

3 DEFERRED CONTRIBUTIONS

Deferred contributions represent restricted funding for which proceeds have been received and approved for spending, but have not yet been spent.

	Balance, beginning of year 2025	Additions to deferred revenue 2025	Transfer to revenue 2025	Balance, end of year 2025
Niagara Action for Animals	25,000	-	25,000	-
Green Edventures	-	8,200	-	8,200
James Steeves	-	37,500	-	37,500
Total	**$ 25,000**	**$ 45,700**	**$ 25,000**	**$ 45,700**

4 PERUVIAN AMAZON RAINFOREST CONSERVANCY

In 2014, the Organization established the Peruvian Amazon Rainforest Conservancy ("PARC"), a separate legal entity in Peru over which it has significant influence, to work towards the same principles as the Conservancy. Its purpose is to protect the lowland forests of the Amazon basin.

The primary source of income for PARC comes from the Organization through grants provided to PARC to purchase land in Peru, and to pay for the protection of the land, employment costs, professional fees, and for equipment rental and maintenance costs incurred in Peru. In 2025, $15,401 (2024 - $54,238 was granted to PARC from the Organization, which is included in Projects in Peru expenses in the Statement of Operations.

Transactions with PARC are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to between the related parties. Grants provided to PARC are approved by the Organization's board of directors and are subject to oversight by those charged with governance.

5 AMAZON RAINFOREST CONSERVANCY NORTHERN PERU

In 2022, the Conservancy took steps to establish Amazon Rainforest Conservancy Northern Peru ("ARCNP") as a separate legal entity in Peru, over which it has significant influence, and which was formally registered on March 20, 2023, to work towards protecting the Cloud Forests of the Amazon basin.

The primary source of income for ARCNP comes from the Organization through grants provided to ARCNP to purchase land in Peru, and to pay for the protection of the land, reforestation costs, employment costs, professional fees, and for equipment rental and maintenance costs incurred in Peru. In 2025, $193,618 (2024 - $45,325) was granted to ARCNP from the Organization, which is included in Projects in Peru expenses in the Statement of Operations.

Transactions with ARCNP are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to between the related parties. Grants provided to ARCNP are approved by the Organization's board of directors and are subject to oversight by those charged with governance.

6 FINANCIAL INSTRUMENTS

The Organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the Organization’s risk exposure and concentration as at the balance sheet date.

a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization’s main credit risks relate to donations. It is management's assessment that the Organization is not exposed to significant credit risk.

b) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Grants made to PARC and ARCNP are made in US dollars, and as a result, the Organization maintains a US bank account. As at December 31, 2025, $10,982 (2024 - $6,460) was held in US cash converted into Canadian dollars on the Statement of Financial Position at the year-end exchange rate.

c) Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. It is management's assessment that the Organization is not exposed to significant liquidity risk.

6 FINANCIAL INSTRUMENTS (CONTINUED)

d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest risk and other price risk. The Organization is mainly exposed to interest rate risk.

e) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Organization is not exposed to other price risk.

7 COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

8 PRIOR PERIOD ADJUSTMENT

During the year, the Organization identified that an expense related to a payment to a contractor had been recorded twice in the prior year due to the timing of an international bank transfer. The payment was initially processed in December 2024 but was subsequently returned to the Organization’s bank account and reissued in February 2025. During preparation fo the 2024 financial statements, the amount was recorded as an additional accrual, resulting in the expense being recognized twice. The error has been corrected in the current year through the reversal of the duplicated accrual. The correction resulted in an increase to opening net assets of $10,849 as at January 1, 2025.